

Message Text

LIMITED OFFICIAL USE

PAGE 01 KUWAIT 04850 150826Z

10

ACTION TRSE-00

INFO OCT-01 AF-08 NEA-10 ISO-00 FEA-01 AGRE-00 CEA-01

CIAE-00 COME-00 DODE-00 EB-07 FRB-03 H-02 INR-07

INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05

CIEP-01 SS-15 STR-04 ITC-01 USIA-06 PRS-01 SP-02

OMB-01 XMB-02 /096 W

----- 070738

P R 141325Z OCT 76

FM AMEMBASSY KUWAIT

TO SECSTATE WASHDC PRIORITY 6437

INFO AMEMBASSY ABU DHABI

AMEMBASSY AMMAN

AMEMBASSY CAIRO

AMEMBASSY DAMASCUS

AMEMBASSY DOHA

AMEMBASSY JIDDA

AMEMBASSY MANAMA

AMEMBASSY MUSCAT

AMEMBASSY PRETORIA

AMEMBASSY TEL AVIV

LIMITED OFFICIAL USE KUWAIT 4850

E.O. 11652: N/A

TAGS: PFOR ETRD KU

SUBJECT: INFORMATION ABOUT BOYCOTTING COUNTRIES: KUWAIT

REF: (A) STATE 250007, (B) KUWAIT 4193, (C) STATE 250117.

1. KUWAIT BOYCOTTS THREE COUNTRIES: ISRAEL, SOUTH AFRICA AND RHODESIA. SINCE REF A DOES NOT REQUIRE INFORMATION ON BOYCOTT OF RHODESIA, THIS RESPONSE APPLIES ONLY TO BOYCOTT OF ISRAEL AND SOUTH AFRICA.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 KUWAIT 04850 150826Z

2. EMBASSY IS SOMEWHAT LIMITED IN PROVIDING PRECISE INFORMATION

IN RESPONSE TO QUESTIONS POSED IN PARA 5 REF A BY STANDING INSTRUCTIONS FORBIDDING CONTACT WITH LOCAL BOYCOTT OFFICE. INFORMATION PROVIDED BELOW WAS OBTAINED FROM CONVERSATIONS WITH OFFICIALS OF MINISTRIES OF COMMERCE AND INDUSTRY, PUBLIC WORKS AND KUWAIT CHAMBER OF COMMERCE, ALL KNOWLEDGEABLE ON BOYCOTT MATTERS, AND FROM LOCAL LAW FIRM WHICH FREQUENTLY DEALS WITH BOYCOTT QUESTIONS. INFORMATION SHOULD BE REGARDED AS BEST EMBASSY CAN PROVIDE UNDER THE CIRCUMSTANCES, RATHER THAN DEFINITIVE LEGAL RESPONSE.

3. MOST IMPORTANT THING TO REMEMBER WHEN REVIEWING KUWAITI IMPLEMENTATION OF ARAB BOYCOTT IS THAT KUWAIT'S BOYCOTT OFFICE IS A PART OF ITS DEPARTMENT OF PORTS AND CUSTOMS. KUWAIT IS A TRADING NATION. IT IMPORTS VIRTUALLY EVERYTHING IT CONSUMES, AND IT APPROACHES THE BOYCOTT PRIMARILY IN TERMS OF BANNING IMPORTATION OF ISRAELI GOODS. KUWAITI OFFICIALS WE TALKED TO WHO ARE MOST KNOWLEDGEABLE ON BOYCOTT MATTERS, WERE, WITH ONE EXCEPTION, WHOLLY UNFAMILIAR WITH SECONDARY BOYCOTT QUESTIONS.

4. IN RESPONSE TO QUESTION A OF PARA 5 REF A, WE CONCLUDE THAT KUWAIT DOES NOT RPT NOT REQUIRE FOREIGN BUSINESS CONCERNS TO AGREE TO REFRAIN FROM ANY OF THE CONDUCT DESCRIBED IN PARAS 3A THROUGH E OF REF A. IN SUPPORT OF THIS CONCLUSION INFORMATION ON KUWAITI TREATMENT OF PRACTICES OUTLINED IN PARA 3A THROUGH E OF REF A FOLLOWS:

(A) ACCORDING TO AMERICAN LAWYER WORKING FOR LOCAL LAW FIRM, THERE IS NO KUWAITI LAW, DECREE OR POLICY WHICH REQUIRES AS A PRECONDITION OF DOING BUSINESS IN KUWAIT THAT A FOREIGN FIRM AGREE, EXPLICITLY OR IMPLICITLY, TO REFRAIN FROM DOING BUSINESS WITH THE GOVERNMENT, COMPANIES OR NATIONALS OF ISRAEL. THE GOK SIMPLY REQUIRES THAT THE FOREIGN FIRM NOT BE ON THE BOYCOTT LIST. WE UNDERSTAND THAT CERTAIN ASPECTS OF DOING BUSINESS "WITHIN" ISRAEL SUCH AS HAVING A BRANCH OR MAIN FACTORIES IN ISRAEL CAN CAUSE A FIRM TO BE PLACED ON THE BOYCOTT LIST. HOWEVER, THE GOK DOES NOT, AS BEST WE CAN DETERMINE, REQUIRE FOREIGN FIRMS TO STATE THAT THEY DO NOT HAVE BRANCHES OR FACTORIES WITHIN ISRAEL. IT DOES REQUIRE THAT THEY NOT BE ON THE BOYCOTT LIST. FURTHERMORE, KUWAITI CHAMBER OF COMMERCE OFFICIAL WELL-INFORMED ON BOYCOTT MATTERS EMPHASIZED THAT SETTING UP FACTORY WITHIN ISRAEL LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 KUWAIT 04850 150826Z

IS NOT IPSO FACTO A CAUSE FOR FIRM TO BE PLACED ON BOYCOTT LIST IF FIRM ALSO HAS BALANCING INVESTMENT IN ARAB WORLD (REF A SUB-PARA 3A).

(B) AGAIN, GOK ONLY ASKS THAT FOREIGN FIRM NOT BE ON THE BOYCOTT LIST. IT DOES NOT REQUIRE THAT THE FIRM NOT DO BUSINESS WITH THE GENERAL CATEGORY OF US PERSONS ENGAGED IN TRADE WITHIN A BOYCOTTED COUNTRY OR WITH THE GOVERNMENT, COMPANIES OR NATIONALS OF THAT

COUNTRY. AS INDICATED IN PARA 3 ABOVE, KUWAIT TENDS TO IGNORE
SECONDARY BOYCOTT ASPECT (REF A SUB-PARA 3B).

(C) ALL SOURCES WE TALKED TO STATED CATEGORICALLY THAT KUWAIT DOES
NOT ENGAGE IN THE DISCRIMINATORY PRACTICES OUTLINED IN PARA 3C
REF A. WE HAVE NO REASON TO DOUBT THIS ASSERTION, AND IN FACT,
HAVE HAD EXAMPLES TO THE CONTRARY (REF B).

(D) THERE ARE NO PROHIBITIONS ABOUT A FIRM'S EMPLOYING INDIVIDUALS
OF A PARTICULAR NATIONALITY, RACE OR RELIGION. HOWEVER AN ISRAELI
CITIZEN IN THE FIRM'S EMPLOY WOULD NOT KNOWINGLY BE PERMITTED
TO ENTER KUWAIT BECAUSE HE WOULD BE CONSIDERED AN ENEMY ALIEN
(REF A SUBPARAGRAPH 3D).

(E) GOK LAW AND PRACTICE PREVENTS ENTRY INTO KUWAIT OF ISRAELI
SHIPS OR SHIPS OF BOYCOTTED COMPANIES. GOK LAW AND PRACTICE DOES
NOT REQUIRE FIRM TO REFRAIN FROM SHIPPING OR INSURING PRODUCTS
ON A CARRIER OWNED, LEASED OR OPERATED BY A PERSON WHO DOES NOT
PARTICIPATE IN OR COOPERATE WITH AN INTERNATIONAL BOYCOTT, SINCE
THIS BROAD CATEGORY INCLUDES MANY CARRIERS WHICH, WHILE NOT
COOPERATING WITH AN INTERNATIONAL BOYCOTT, ARE NOT THEMSELVES
ON THE BOYCOTT LIST. (REF A SUBPARA 3E)

5. RE QUESTION PARA 5.(C), REF A: IN LESS RIGOROUS MANNER KUWAIT
ADHERES TO BOYCOTT OF SOUTH AFRICA BY NOT ALLOWING IMPORTATION
OF SOUTH AFRICAN PRODUCTS, ALTHOUGH WE UNDERSTAND SOME SOUTH
AFRICAN PRODUCTS OCCASIONALLY REACH KUWAIT. OUR IMPRESSION IS
THAT ENFORCEMENT OF BOYCOTT AGAINST SOUTH AFRICA IS VERY MUCH
PRO FORMA, WITH MATTERS SUCH AS SECONDARY BOYCOTT BEING OF NO
CONCERN TO KUWAITIS.

6. SEPARATE RESPONSE ON REF C WILL FOLLOW.

MAESTRONE

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 KUWAIT 04850 150826Z

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: REPORTS, DISCRIMINATION, BOYCOTTS
Control Number: n/a
Copy: SINGLE
Draft Date: 14 OCT 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greeneet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976KUWAIT04850
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760387-0873
From: KUWAIT
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761054/aaaabudh.tel
Line Count: 154
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 STATE 250007, 76 KUWAIT 4193, 76 STATE 250117
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 14 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14 JUN 2004 by CunninFX>; APPROVED <08 OCT 2004 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: INFORMATION ABOUT BOYCOTTING COUNTRIES: KUWAIT
TAGS: PFOR, ETRD, KU, IS, SF, XF
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006